

U.S. Sens. Baldwin, Stabenow, Casey: Introduce Legislation to Overturn Trump-Era Expansion of Junk Insurance Plans

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Contact: press@baldwin.senate.gov, 202-224-6225

WASHINGTON, D.C. – In recognition of the 11th Anniversary of the Affordable Care Act (ACA) this week, U.S. Senators Tammy Baldwin (D-WI), Debbie Stabenow (D-MI) and Bob Casey (D-PA) are today leading their colleagues to introduce the *No Junk Plans Act*, which would overturn the Trump-era rule expanding junk health insurance plans that don't have to provide health care coverage for people with pre-existing conditions.

"It's time to turn the page after the Trump administration expansion of junk insurance plans that can deny coverage to people with pre-existing conditions and don't have to cover essential services like maternity care, prescription drugs, substance use disorders and emergency room care," **said Senator Baldwin**. "With nearly 30 million Americans diagnosed with COVID-19, we should be working during this pandemic, and after, to expand quality, affordable health care that provides all of the guaranteed protections and essential benefits of the Affordable Care Act. Junk insurance plans don't and we need to stop their expansion so people don't get stuck paying thousands of dollars out of pocket when they need health care."

"Junk health insurance plans don't protect people with pre-existing conditions or cover basic services like prescriptions, hospital care and maternity care," **said Senator Stabenow**. "We need to put an end to these plans and make sure the American people have accurate information about their own coverage, especially

during this pandemic.”

“As many COVID-19 survivors are struggling with long-term symptoms, we must ensure that their health insurance provides comprehensive coverage,” **said Senator Casey**. “The No Junk Plans Act would help protect individuals and families, including those with pre-existing conditions, from inadequate and misleading junk plans that leave them susceptible to exorbitant out-of-pocket health care costs. No one should find out that the health insurance they paid their hard-earned money for doesn’t cover them when they need it most.”

In 2018, the Trump administration expanded the use of STLDI plans, or “junk plans,” that do not have to comply with the ACA’s consumer protections, can deny coverage for pre-existing conditions and are not required to cover essential services like maternity care, prescription drugs, substance use disorders and emergency room care. The Trump-era rule allows private issuers to expand the duration of these junk plans from three months to 364 days, with the opportunity to renew for up to 36 months.

Senator Baldwin has been leading the effort in the Senate since 2018 to rescind the Trump administration’s rule expanding junk insurance plans. Baldwin has repeatedly gone to the Senate floor to call for a vote on her *No Junk Plans Act*, [but the previous Senate Republican majority blocked her legislation from passing](#). The *No Junk Plans Act* passed the House in 2019 as part of the *Strengthening Health Care and Lowering Prescription Drug Costs Act*, but was again blocked by Senate Republicans when they controlled the majority.

In August 2020, the Government Accountability Office [released a report detailing how consumers were deceptively misled to purchase these junk plans](#) that did not cover pre-existing medical conditions and had “the potential to incur significant and unexpected costs.”

In addition to Baldwin, Stabenow and Casey, the legislation is also cosponsored by Senators Jeff Merkley (D-OR), Sherrod Brown (D-OH), Mark Warner (D-VA), Chris Murphy (D-CT), Richard Blumenthal (D-CT), Bob Menendez (D-NJ), Jacky Rosen (D-NV), Tim Kaine (D-VA), Patty Murray (D-WA), Jeanne Shaheen (D-NH), Tina Smith (D-MN), Chris Van Hollen (D-MD), Angus King (I-ME), Michael Bennet (D-CO), Amy Klobuchar (D-MN), Jack Reed (D-RI), Tammy Duckworth (D-IL), Tom Carper (D-DE), Ron Wyden (D-OR), Dick Durbin (D-IL), Patrick Leahy (D-VT), Cory Booker (D-NJ), Catherine Cortez-Masto (D-NV), Elizabeth Warren (D-MA), Dianne Feinstein (D-CA),

Jon Tester (D-MT), Gary Peters (D-MI) and Alex Padilla (D-CA).

The *No Junk Plans Act* is supported by American Kidney Fund, Arthritis Foundation, Center for Health Law and Policy Innovation-Harvard Law School, Hemophilia Federation of America, National Alliance on Mental Illness, National Hemophilia Foundation, National MS Society, Susan G Komen, The Leukemia & Lymphoma Society, American Heart Association, Asthma and Allergy Foundation of America, National Health Council, National Organization for Rare Disorders, American Diabetes Association, The U.S Hereditary Angioedema Association, ACS CAN, AIDS Institute, Alpha-1 Foundation, ALS Association, Cancer Support Community, CancerCare, Cystic Fibrosis Foundation, Epilepsy Foundation, Pulmonary Hypertension Association, Marshfield Clinic Health System, GBS|CIDP Foundation International.

“This legislation would reverse the previous administration’s rule to expand short-term, limited-duration insurance plans, which discriminate against individuals with pre-existing conditions, lack coverage for essential health benefits, increase deductibles and place harsh limitations on benefits. Patients with short-term plans run the risk of accumulating excessive medical bills or even forgoing critical care because of cost. We opposed this rule before it was finalized by the previous administration and are grateful that lawmakers, including Senators Baldwin, Stabenow and Casey, are working hard to protect patients from short-term plans. We urge lawmakers to support this legislation and put an immediate stop to the short-term rule,” **said American Heart Association CEO Nancy Brown.**

“The COVID-19 pandemic has shone a light on the critical importance of access to comprehensive health coverage, a reality families impacted by cancer have long understood. Those who enroll in short-term plans could face devastating bills should they become unexpectedly ill, including from COVID-19, and require services like hospitalization, which these plans often do not cover. The American Cancer Society Cancer Action Network (ACS CAN) applauds Senator Baldwin for her leadership working to overturn troubling regulation that promotes bare bones insurance products that leave patients uncovered when they need care the most,” **said Lisa Lacasse, ACS CAN President.**

“Short-term plans fail to offer comprehensive health insurance benefits and endanger patients who face serious, unexpected diagnoses – such as cancer. As a result, these plans leave patients vulnerable to physical and financial harm at the exact moment they need coverage the most. In some cases, that lack of coverage

may even prevent patients from accessing life-saving treatment. We are extremely grateful for Sen. Baldwin's legislation, which protects consumers and ensures a more affordable marketplace for comprehensive insurance," **said Dr. Gwen Nichols, Executive Vice President and Chief Medical Officer of The Leukemia & Lymphoma Society.**

Text of the legislation is available [here](#).

An online version of this release is available [here](#).